



January 11, 2008

SENATE BILL No. 15

DIGEST OF SB 15 (Updated January 10, 2008 11:27 am - DI 73)

Citations Affected: IC 6-1.1; IC 20-43; noncode.

Synopsis: Property tax credit and deduction filing deadlines. Extends the filing deadline for the homestead credit and various property tax deductions from June 11 to October 1. Provides that a person is entitled to claim a homestead credit or certain property tax deductions if: (1) the person owns the property on October 1 of the year in which the credit or deduction is claimed; or (2) the person is, on October 1 of the year in which the credit or deduction is claimed, buying the property under a contract requiring the person to pay the property taxes on the property. Provides that a county auditor may reduce a taxing unit's assessed value that is certified to the department of local government finance to enable the taxing unit to offset the effects of reduced property tax collections in the immediately succeeding calendar year that are expected to result from homestead credit applications or deduction applications that may be filed for the year after the certification of the assessed value. Specifies that the maximum amount of the reduction (together with certain other reductions allowed under existing law) is 2% of the assessed value of property subject to assessment in the taxing unit. Requires the county auditor to send a certified statement to the fiscal officer of each political subdivision of the county and to the department of local government finance that lists adjustments to assessed valuation and other information that are due to processing of homestead credit applications and deduction applications filed after June 10 and before October 1 of a year.

Effective: Upon passage.

Meeks, Rogers, Mrvan, Kenley

November 20, 2007, read first time and referred to Committee on Appropriations.
January 10, 2008, amended, reported favorably — Do Pass.

SB 15—LS 6240/DI 52+



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January 11, 2008

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

SENATE BILL No. 15

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-12-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Each year a
3 person who is a resident of this state may receive a deduction from the
4 assessed value of:

5 (1) mortgaged real property, an installment loan financed mobile
6 home that is not assessed as real property, or an installment loan
7 financed manufactured home that is not assessed as real property
8 that ~~he~~ **the person** owns **on October 1 of the year**; or

9 (2) real property, a mobile home that is not assessed as real
10 property, or a manufactured home that is not assessed as real
11 property that ~~he~~ **the person** is buying **on October 1 of the year**
12 under a contract, with the contract or a memorandum of the
13 contract recorded in the county recorder's office, which provides
14 that ~~he~~ **the person** is to pay the property taxes on the real
15 property, mobile home, or manufactured home.

16 (b) Except as provided in section 40.5 of this chapter, the total
17 amount of the deduction which the person may receive under this

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section for a particular year is:

- (1) the balance of the mortgage or contract indebtedness on the assessment date of that year;
- (2) one-half (1/2) of the assessed value of the real property, mobile home, or manufactured home; or
- (3) three thousand dollars (\$3,000);

whichever is least.

(c) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract which provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

SECTION 2. IC 6-1.1-12-2, AS AMENDED BY P.L.183-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided by section 1 of this chapter must file a statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the statement must be filed during the twelve (12) months before ~~June 1~~ **October 1** of each year for which the person wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property. Upon receipt of the statement and the recorded contract or recorded memorandum of the contract, the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury, and the statement must contain the

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following information:

(1) The balance of the person's mortgage or contract indebtedness on the assessment date of the year for which the deduction is claimed.

(2) The assessed value of the real property, mobile home, or manufactured home.

(3) The full name and complete residence address of the person and of the mortgagee or contract seller.

(4) The name and residence of any assignee or bona fide owner or holder of the mortgage or contract, if known, and if not known, the person shall state that fact.

(5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.

(6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or sold under the contract.

(7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.

(8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(c) The authority for signing a deduction application filed under this section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument.

SECTION 3. IC 6-1.1-12-4, AS AMENDED BY P.L.154-2006, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) An individual who satisfies the requirements of section 3 of this chapter may file a claim for a deduction, or deductions, provided by section 1 of this chapter during the twelve (12) months before ~~June 1~~ **October 1** of the year following the year in which the individual is discharged from military service. The individual shall file the claim, on the forms prescribed for claiming a deduction under section 2 of this chapter, with the auditor of the county in which the real property is located. The claim shall specify the particular year, or years, for which the deduction is claimed. The individual shall attach to the claim an affidavit which states the facts concerning the individual's absence as a member of the United States armed forces.

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(b) The county property tax assessment board of appeals shall examine the individual's claim and shall determine the amount of deduction, or deductions, the individual is entitled to and the year, or years, for which deductions are due. Based on the board's determination, the county auditor shall calculate the excess taxes paid by the individual and shall refund the excess to the individual from funds not otherwise appropriated. The county auditor shall issue, and the county treasurer shall pay, a warrant for the amount, if any, to which the individual is entitled.

SECTION 4. IC 6-1.1-12-9, AS AMENDED BY P.L.219-2007, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property, or mobile home or manufactured home which is not assessed as real property, if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

(A) the individual and the individual's spouse; or

(B) the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars (\$25,000);

(3) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, or the individual has been buying the real property, mobile home, or manufactured home under a contract that provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(4) the individual and any individuals covered by subdivision (2)(B) reside on the real property, mobile home, or manufactured home;

(5) the assessed value of the real property, mobile home, or manufactured home does not exceed one hundred eighty-two thousand four hundred thirty dollars (\$182,430); ~~and~~

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(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, 37, and 38 of this chapter; **and**

(7) the individual:

(A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or

(B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the real property; or

(2) twelve thousand four hundred eighty dollars (\$12,480).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or

(2) twelve thousand four hundred eighty dollars (\$12,480).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

(1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;

(3) the surviving spouse has not remarried; and

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(4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through ~~(a)(6)~~: **(a)(7)**.

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants.

SECTION 5. IC 6-1.1-12-10.1, AS AMENDED BY P.L.183-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10.1. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be filed during the twelve (12) months before ~~June 1~~ **October 1** of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;
- (2) the description and assessed value of the real property, mobile home, or manufactured home;
- (3) the individual's full name and complete residence address;
- (4) the record number and page where the contract or memorandum of the contract is recorded if the individual is

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buying the real property, mobile home, or manufactured home on contract; and

(5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 6. IC 6-1.1-12-11, AS AMENDED BY P.L.99-2007, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns, or that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the individual is blind or the individual has a disability;

(2) the real property, mobile home, or manufactured home is principally used and occupied by the individual as the individual's residence; ~~and~~

(3) the individual's taxable gross income for the calendar year preceding the year in which the deduction is claimed did not exceed seventeen thousand dollars (\$17,000); **and**

(4) the individual:

(A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or

(B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.

(b) For purposes of this section, taxable gross income does not include income which is not taxed under the federal income tax laws.

(c) For purposes of this section, "blind" has the same meaning as the definition contained in IC 12-7-2-21(1).

(d) For purposes of this section, "individual with a disability" means a person unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which:

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(1) can be expected to result in death; or

(2) has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

(e) An individual with a disability filing a claim under this section shall submit proof of disability in such form and manner as the department shall by rule prescribe. Proof that a claimant is eligible to receive disability benefits under the federal Social Security Act (42 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of this section.

(f) An individual with a disability not covered under the federal Social Security Act shall be examined by a physician and the individual's status as an individual with a disability determined by using the same standards as used by the Social Security Administration. The costs of this examination shall be borne by the claimant.

(g) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 7. IC 6-1.1-12-12, AS AMENDED BY P.L.183-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be filed during the twelve (12) months before ~~June 1~~ **October 1** of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

(1) the records of a county office of family and children, the division of family resources, or the division of disability and rehabilitative services; or

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(2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home.

SECTION 8. IC 6-1.1-12-13, AS AMENDED BY P.L.99-2007, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) Except as provided in section 40.5 of this chapter, an individual may have twenty-four thousand nine hundred sixty dollars (\$24,960) deducted from the assessed value of the taxable tangible property that the individual owns, or real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office and if:

(1) the individual served in the military or naval forces of the United States during any of its wars;

(2) the individual received an honorable discharge;

(3) the individual has a disability with a service connected disability of ten percent (10%) or more; ~~and~~

(4) the individual's disability is evidenced by:

(A) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or

(B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; **and**

(5) the individual:

(A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or

(B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.

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(b) The surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) One who receives the deduction provided by this section may not receive the deduction provided by section 16 of this chapter. However, the individual may receive any other property tax deduction which the individual is entitled to by law.

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 9. IC 6-1.1-12-14, AS AMENDED BY P.L.219-2007, SECTION 26, AND AS AMENDED BY P.L.99-2007, SECTION 24, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of the tangible property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

- (1) the individual served in the military or naval forces of the United States for at least ninety (90) days;
- (2) the individual received an honorable discharge;
- (3) the individual either:
 - (A) ~~is totally disabled;~~ has a total disability; or
 - (B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%); ~~and~~
- (4) the individual's disability is evidenced by:
 - (A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a

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deduction under this section; and

(5) the individual:

(A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or

(B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.

(b) Except as provided in subsection (c), the surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) No one is entitled to the deduction provided by this section if the assessed value of the individual's tangible property, as shown by the tax duplicate, exceeds one hundred ~~thirteen~~ *thirteen* forty-three thousand one hundred sixty dollars ~~(\$113,000)~~ *(\$143,160)*.

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 10. IC 6-1.1-12-15, AS AMENDED BY P.L.183-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 13 or section 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be filed during the twelve (12) months before ~~June 1~~ **October 1** of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

- (1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of

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Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;

(2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or

(3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

SECTION 11. IC 6-1.1-12-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed value of his or her tangible property, or real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a contract that provides that he is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918; ~~and~~

(2) the deceased spouse received an honorable discharge; **and**

(3) the surviving spouse:

(A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or

(B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.

(b) A surviving spouse who receives the deduction provided by this section may not receive the deduction provided by section 13 of this chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

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(c) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 12. IC 6-1.1-12-17, AS AMENDED BY P.L.183-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. Except as provided in section 17.8 of this chapter, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be filed during the twelve (12) months before ~~June 1~~ **October 1** of each year for which the surviving spouse wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

(1) a sworn statement that the surviving spouse is entitled to the deduction; and

(2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

SECTION 13. IC 6-1.1-12-17.4, AS AMENDED BY P.L.219-2007, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.4. (a) Except as provided in section 40.5 of this chapter, a World War I veteran who is a resident of Indiana is entitled to have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed valuation of the real property (including a mobile home that is assessed as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the veteran owns or is buying

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under a contract that requires the veteran to pay property taxes on the real property, if the contract or a memorandum of the contract is recorded in the county recorder's office, if:

(1) the real property, mobile home, or manufactured home is the veteran's principal residence;

(2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed two hundred six thousand five hundred dollars (\$206,500); ~~and~~

(3) the veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; **and**

(4) the veteran:

(A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or

(B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.

(b) An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

(c) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by a husband and wife as tenants by the entirety, only one (1) deduction may be allowed under this section. However, the deduction provided in this section applies if either spouse satisfies the requirements prescribed in subsection (a).

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

SECTION 14. IC 6-1.1-12-17.5, AS AMENDED BY P.L.183-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must file the statement during the twelve (12) months before

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1 ~~June 1~~ **October 1** of each year for which the veteran wishes to obtain
 2 the deduction. With respect to a mobile home that is not assessed as
 3 real property or a manufactured home that is not assessed as real
 4 property, the statement must be filed during the twelve (12) months
 5 before March 31 of each year for which the individual wishes to obtain
 6 the deduction. The statement may be filed in person or by mail. If
 7 mailed, the mailing must be postmarked on or before the last day for
 8 filing.

9 (b) The statement required under this section shall be in affidavit
 10 form or require verification under penalties of perjury. The statement
 11 shall be filed in duplicate if the veteran has, or is buying under a
 12 contract, real property in more than one (1) county or in more than one
 13 (1) taxing district in the same county. The statement shall contain:

- 14 (1) a description and the assessed value of the real property,
 15 mobile home, or manufactured home;
- 16 (2) the veteran's full name and complete residence address;
- 17 (3) the record number and page where the contract or
 18 memorandum of the contract is recorded, if the individual is
 19 buying the real property, mobile home, or manufactured home on
 20 a contract that provides that the individual is to pay property taxes
 21 on the real property, mobile home, or manufactured home; and
- 22 (4) any additional information which the department of local
 23 government finance may require.

24 SECTION 15. IC 6-1.1-12-17.8, AS AMENDED BY P.L.95-2007,
 25 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 UPON PASSAGE]: Sec. 17.8. (a) An individual who receives a
 27 deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this
 28 chapter in a particular year and who remains eligible for the deduction
 29 in the following year is not required to file a statement to apply for the
 30 deduction in the following year.

31 (b) An individual who receives a deduction provided under section
 32 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who
 33 becomes ineligible for the deduction in the following year shall notify
 34 the auditor of the county in which the real property, mobile home, or
 35 manufactured home for which the individual claims the deduction is
 36 located of the individual's ineligibility before ~~June 1~~ **October 1** of the
 37 year in which the individual becomes ineligible.

38 (c) The auditor of each county shall, in a particular year, apply a
 39 deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this
 40 chapter to each individual who received the deduction in the preceding
 41 year unless the auditor determines that the individual is no longer
 42 eligible for the deduction.

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(d) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

(1) the individual is the sole owner of the property following the death of the individual's spouse;

(2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or

(3) the individual is awarded sole ownership of the property in a divorce decree.

(e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, or 17.4 of this chapter for real property owned by the trust and occupied by an individual in accordance with section 17.9 of this chapter is not required to file a statement to apply for the deduction, if:

(1) the individual who occupies the real property receives a deduction provided under section 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year; and

(2) the trust remains eligible for the deduction in the following year.

SECTION 16. IC 6-1.1-15-10, AS AMENDED BY P.L.219-2007, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) If a petition for review to any board or a proceeding for judicial review in the tax court regarding an assessment or increase in assessment is pending, the taxes resulting from the assessment or increase in assessment are, notwithstanding the provisions of IC 6-1.1-22-9, not due until after the petition for review, or the proceeding for judicial review, is finally adjudicated and the assessment or increase in assessment is finally determined. However, even though a petition for review or a proceeding for judicial review is pending, the taxpayer shall pay taxes on the tangible property when the property tax installments come due, unless the collection of the taxes is enjoined under IC 33-26-6-2 pending a final determination in the proceeding for judicial review. The amount of taxes which the taxpayer is required to pay, pending the final determination of the assessment or increase in assessment, shall be based on:

(1) the assessed value reported by the taxpayer on the taxpayer's personal property return if a personal property assessment, or an increase in such an assessment, is involved; or

(2) an amount based on the immediately preceding year's assessment of real property if an assessment, or increase in assessment, of real property is involved.

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(b) If the petition for review or the proceeding for judicial review is not finally determined by the last installment date for the taxes, the taxpayer, upon showing of cause by a taxing official or at the tax court's discretion, may be required to post a bond or provide other security in an amount not to exceed the taxes resulting from the contested assessment or increase in assessment.

(c) Each county auditor shall keep separate on the tax duplicate a record of that portion of the assessed value of property that is described in IC 6-1.1-17-0.5(b). When establishing rates and calculating state school support, the department of local government finance shall exclude from assessed value in the county the assessed value of property kept separate on the tax duplicate by the county auditor under ~~IC 6-1.1-17-0.5(b)~~. **IC 6-1.1-17-0.5.**

SECTION 17. IC 6-1.1-17-0.5, AS AMENDED BY P.L.154-2006, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) For purposes of this section, "assessed value" has the meaning set forth in IC 6-1.1-1-3(a).

(b) The county auditor may exclude and keep separate on the tax duplicate for taxes payable in a calendar year the assessed value of tangible property that meets the following conditions:

- (1) The assessed value of the property is at least nine percent (9%) of the assessed value of all tangible property subject to taxation by a taxing unit.
- (2) The property is or has been part of a bankruptcy estate that is subject to protection under the federal bankruptcy code.
- (3) The owner of the property has discontinued all business operations on the property.
- (4) There is a high probability that the taxpayer will not pay property taxes due on the property in the following year.

(c) This section does not limit, restrict, or reduce in any way the property tax liability on the property.

(d) For each taxing unit located in the county, the county auditor may reduce for a calendar year the taxing unit's assessed value that is certified to the department of local government finance under section 1 of this chapter and used to set tax rates for the taxing unit for taxes first due and payable in the immediately succeeding calendar year. The county auditor may reduce a taxing unit's assessed value under this subsection only to enable the taxing unit to absorb the effects of reduced property tax collections in the immediately succeeding calendar year that are expected to result from successful appeals of the assessed value of property located in the taxing unit. The county auditor shall keep separately on the tax duplicate the amount of any

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1 reductions made under this subsection. The maximum amount of the
 2 reduction authorized under this subsection is determined under
 3 subsection (e).

4 (e) **Except as provided in subsection (g)**, the amount of the
 5 reduction in a taxing unit's assessed value for a calendar year under
 6 subsection (d) may not exceed the lesser of:

- 7 (1) two percent (2%) of the assessed value of tangible property
 8 subject to assessment in the taxing unit in that calendar year; or
 9 (2) the total amount of reductions in the assessed value of tangible
 10 property subject to assessment in the taxing unit that:

11 (A) applied for the assessment date in the immediately
 12 preceding year; and

13 (B) resulted from successful appeals of the assessed value of
 14 the property.

15 (f) The amount of a reduction under subsection (d) may not be
 16 offered in a proceeding before the:

- 17 (1) county property tax assessment board of appeals;
 18 (2) Indiana board; or
 19 (3) Indiana tax court;

20 as evidence that a particular parcel has been improperly assessed.

21 (g) **For each taxing unit located in a county, the county auditor**
 22 **may reduce for a calendar year the taxing unit's assessed value**
 23 **that is certified to the department of local government finance**
 24 **under section 1 of this chapter and used to set tax rates for the**
 25 **taxing unit for taxes first due and payable in the immediately**
 26 **succeeding calendar year. The county auditor may reduce a taxing**
 27 **unit's assessed value under this subsection only to enable the taxing**
 28 **unit to offset the effects of reduced property tax collections in the**
 29 **immediately succeeding calendar year that are expected to result**
 30 **from homestead credits applications under IC 6-1.1-20.9 or**
 31 **deduction applications under IC 6-1.1-12 that may be filed for the**
 32 **calendar year by taxpayers after the certification of the assessed**
 33 **value. The total of the reduction under this subsection plus the**
 34 **reduction under subsection (e) may not exceed two percent (2%)**
 35 **of the assessed value of tangible property subject to assessment in**
 36 **the taxing unit in that calendar year.**

37 SECTION 18. IC 6-1.1-17-1, AS AMENDED BY P.L.154-2006,
 38 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 UPON PASSAGE]: Sec. 1. (a) On or before August 1 of each year, the
 40 county auditor shall send a certified statement, under the seal of the
 41 board of county commissioners, to the fiscal officer of each political
 42 subdivision of the county and the department of local government

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finance. The statement shall contain:

- (1) information concerning the assessed valuation in the political subdivision for the next calendar year;
- (2) an estimate of the taxes to be distributed to the political subdivision during the last six (6) months of the current calendar year;
- (3) the current assessed valuation as shown on the abstract of charges;
- (4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget years, excluding years in which a general reassessment occurs, determined according to procedures established by the department of local government finance;
- (5) the amount of the political subdivision's assessed valuation reduction determined under ~~section 0.5(d)~~ **section 0.5** of this chapter; and
- (6) any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process.

(b) The estimate of taxes to be distributed shall be based on:

- (1) the abstract of taxes levied and collectible for the current calendar year, less any taxes previously distributed for the calendar year; and
- (2) any other information at the disposal of the county auditor which might affect the estimate.

(c) The fiscal officer of each political subdivision shall present the county auditor's statement to the proper officers of the political subdivision.

(d) Subject to subsection (e) and except as provided in subsection (f), after the county auditor sends a certified statement under subsection (a) or an amended certified statement under this subsection with respect to a political subdivision and before the department of local government finance certifies its action with respect to the political subdivision under section 16(f) of this chapter, the county auditor may amend the information concerning assessed valuation included in the earlier certified statement. The county auditor shall send a certified statement amended under this subsection, under the seal of the board of county commissioners, to:

- (1) the fiscal officer of each political subdivision affected by the amendment; and
- (2) the department of local government finance.

(e) Except as provided in subsection (g), before the county auditor

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1 makes an amendment under subsection (d), the county auditor must
 2 provide an opportunity for public comment on the proposed
 3 amendment at a public hearing. The county auditor must give notice of
 4 the hearing under IC 5-3-1. If the county auditor makes the amendment
 5 as a result of information provided to the county auditor by an assessor,
 6 the county auditor shall give notice of the public hearing to the
 7 assessor.

8 (f) Subsection (d) does not apply to an adjustment of assessed
 9 valuation under IC 36-7-15.1-26.9(d).

10 (g) The county auditor is not required to hold a public hearing under
 11 subsection (e) if:

12 (1) the amendment under subsection (d) is proposed to correct a
 13 mathematical error made in the determination of the amount of
 14 assessed valuation included in the earlier certified statement;

15 (2) the amendment under subsection (d) is proposed to add to the
 16 amount of assessed valuation included in the earlier certified
 17 statement assessed valuation of omitted property discovered after
 18 the county auditor sent the earlier certified statement; or

19 (3) the county auditor determines that the amendment under
 20 subsection (d) will not result in an increase in the tax rate or tax
 21 rates of the political subdivision.

22 **(h) On or before December 31 of each year, the county auditor**
 23 **shall send a certified statement, under the seal of the board of**
 24 **county commissioners, to the fiscal officer of each political**
 25 **subdivision of the county and to the department of local**
 26 **government finance. The certified statement must list any**
 27 **adjustments to the information submitted under subsection (a) that**
 28 **are due to processing of homestead credit applications and**
 29 **deduction applications that are filed after June 10 and before**
 30 **October 1 of a year.**

31 SECTION 19. IC 6-1.1-20.9-2, AS AMENDED BY P.L.224-2007,
 32 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 UPON PASSAGE]: Sec. 2. (a) Except as otherwise provided in section
 34 5 of this chapter, an individual who on ~~March~~ **October** 1 of a particular
 35 year either owns or is buying a homestead under a contract that
 36 provides the individual is to pay the property taxes on the homestead
 37 is entitled each calendar year to a credit against the property taxes
 38 which the individual pays on the individual's homestead. However,
 39 only one (1) individual may receive a credit under this chapter for a
 40 particular homestead in a particular year.

41 (b) The amount of the credit to which the individual is entitled
 42 equals the product of:

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(1) the percentage prescribed in subsection (d); multiplied by
 (2) the amount of the individual's property tax liability, as that
 term is defined in IC 6-1.1-21-5, which is:

(A) attributable to the homestead during the particular
 calendar year; and

(B) determined after the application of the property tax
 replacement credit under IC 6-1.1-21.

(c) For purposes of determining that part of an individual's property
 tax liability that is attributable to the individual's homestead, all
 deductions from assessed valuation which the individual claims under
 IC 6-1.1-12 or IC 6-1.1-12.1 for property on which the individual's
 homestead is located must be applied first against the assessed value
 of the individual's homestead before those deductions are applied
 against any other property.

(d) The percentage of the credit referred to in subsection (b)(1) is as
 follows:

YEAR	PERCENTAGE OF THE CREDIT
1996	8%
1997	6%
1998 through 2002	10%
2003 through 2005	20%
2006	28%
2007 and thereafter	20%

However, the percentage credit allowed in a particular county for a
 particular year shall be increased if on January 1 of a year an ordinance
 adopted by a county income tax council was in effect in the county
 which increased the homestead credit. The amount of the increase
 equals the amount designated in the ordinance.

(e) Before October 1 of each year, the assessor shall furnish to
 the county auditor the amount of the assessed valuation of each
 homestead for which a homestead credit has been properly filed under
 this chapter.

(f) The county auditor shall apply the credit equally to each
 installment of taxes that the individual pays for the property.

(g) Notwithstanding the provisions of this chapter, a taxpayer other
 than an individual is entitled to the credit provided by this chapter if:

- (1) an individual uses the residence as the individual's principal
 place of residence;
- (2) the residence is located in Indiana;
- (3) the individual has a beneficial interest in the taxpayer;
- (4) the taxpayer either owns the residence or is buying it under a

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1 contract, recorded in the county recorder's office, that provides
 2 that the individual is to pay the property taxes on the residence;
 3 and
 4 (5) the residence consists of a single-family dwelling and the real
 5 estate, not exceeding one (1) acre, that immediately surrounds
 6 that dwelling.

7 SECTION 20. IC 6-1.1-20.9-3, AS AMENDED BY P.L.183-2007,
 8 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 UPON PASSAGE]: Sec. 3. (a) An individual who desires to claim the
 10 credit provided by section 2 of this chapter must file a certified
 11 statement in duplicate, on forms prescribed by the department of local
 12 government finance, with the auditor of the county in which the
 13 homestead is located. The statement shall include the parcel number or
 14 key number of the real estate and the name of the city, town, or
 15 township in which the real estate is located. With respect to real
 16 property, the statement must be filed during the twelve (12) months
 17 before ~~June 1~~ **October 1** of the year prior to the first year for which
 18 the person wishes to obtain the credit for the homestead. With respect
 19 to a mobile home that is not assessed as real property or a
 20 manufactured home that is not assessed as real property, the statement
 21 must be filed during the twelve (12) months before March 31 of the
 22 first year for which the individual wishes to obtain the credit. The
 23 statement may be filed in person or by mail. If mailed, the mailing must
 24 be postmarked on or before the last day for filing. The statement
 25 applies for that first year and any succeeding year for which the credit
 26 is allowed.

27 (b) The certified statement referred to in subsection (a) shall contain
 28 the name of any other county and township in which the individual
 29 owns or is buying real property.

30 (c) If an individual who is receiving the credit provided by this
 31 chapter changes the use of the individual's real property, so that part or
 32 all of that real property no longer qualifies for the homestead credit
 33 provided by this chapter, the individual must file a certified statement
 34 with the auditor of the county, notifying the auditor of the change of
 35 use within sixty (60) days after the date of that change. An individual
 36 who changes the use of the individual's real property and fails to file
 37 the statement required by this subsection is liable for the amount of the
 38 credit the individual was allowed under this chapter for that real
 39 property.

40 (d) An individual who receives the credit provided by section 2 of
 41 this chapter for property that is jointly held with another owner in a
 42 particular year and remains eligible for the credit in the following year

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is not required to file a statement to reapply for the credit following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse;
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
- (3) the individual is awarded sole ownership of **the** property in a divorce decree.

SECTION 21. IC 20-43-3-6, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) For purposes of this section, "school corporation" does not include a charter school.

(b) Adjusted assessed valuation of any school corporation that is used in computing a school corporation's state tuition support for a calendar year must be the assessed valuation in the school corporation, adjusted as provided in IC 6-1.1-34.

(c) The amount of the valuation described in subsection (b) must also be adjusted downward by the department of local government finance to the extent it consists of real or personal property owned by a railroad or other corporation under the jurisdiction of a federal court under the federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation being involved in a bankruptcy proceeding the corporation is delinquent in payment of its Indiana real and personal property taxes for the year to which the valuation applies. If the railroad or other corporation in some subsequent calendar year makes payment of the delinquent taxes, the state superintendent shall prescribe adjustments in the distributions of state tuition support that subsequently become due to a school corporation affected by the delinquency. The adjustment must ensure that the school corporation will not have been unjustly enriched under P.L.382-1987(ss).

(d) The amount of the valuation described in subsection (b) must also be adjusted downward by the department of local government finance to the extent it consists of real or personal property described in ~~IC 6-1.1-17-0.5(b)~~. **IC 6-1.1-17-0.5.**

SECTION 22. [EFFECTIVE UPON PASSAGE] **IC 6-1.1-12-1, IC 6-1.1-12-2, IC 6-1.1-12-4, IC 6-1.1-12-9, IC 6-1.1-12-10.1, IC 6-1.1-12-11, IC 6-1.1-12-12, IC 6-1.1-12-13, IC 6-1.1-12-14, IC 6-1.1-12-15, IC 6-1.1-12-16, IC 6-1.1-12-17, IC 6-1.1-12-17.4, IC 6-1.1-12-17.5, IC 6-1.1-12-17.8, IC 6-1.1-15-10, IC 6-1.1-17-0.5, IC 6-1.1-17-1, IC 6-1.1-20.9-2, IC 6-1.1-20.9-3, and IC 20-43-3-6, all as amended by this act, apply only to property taxes first due and payable after December 31, 2008.**



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1 SECTION 23. An emergency is declared for this act.

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SENATE MOTION

Madam President: I move that Senator Rogers be added as second author and Senator Mrvan be added as coauthor of Senate Bill 15.

MEEKS

SENATE MOTION

Madam President: I move that Senator Kenley be added as coauthor of Senate Bill 15.

MEEKS

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 15, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Each year a person who is a resident of this state may receive a deduction from the assessed value of:

- (1) mortgaged real property, an installment loan financed mobile home that is not assessed as real property, or an installment loan financed manufactured home that is not assessed as real property that ~~he~~ **the person** owns **on October 1 of the year**; or
- (2) real property, a mobile home that is not assessed as real property, or a manufactured home that is not assessed as real property that ~~he~~ **the person** is buying **on October 1 of the year** under a contract, with the contract or a memorandum of the contract recorded in the county recorder's office, which provides that ~~he~~ **the person** is to pay the property taxes on the real property, mobile home, or manufactured home.

(b) Except as provided in section 40.5 of this chapter, the total amount of the deduction which the person may receive under this section for a particular year is:

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- (1) the balance of the mortgage or contract indebtedness on the assessment date of that year;
- (2) one-half (1/2) of the assessed value of the real property, mobile home, or manufactured home; or
- (3) three thousand dollars (\$3,000);

whichever is least.

(c) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract which provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home."

Page 3, between lines 20 and 21, begin a new paragraph and insert:
 "SECTION 4. IC 6-1.1-12-9, AS AMENDED BY P.L.219-2007, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property, or mobile home or manufactured home which is not assessed as real property, if:

- (1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;
- (2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:
 - (A) the individual and the individual's spouse; or
 - (B) the individual and all other individuals with whom:
 - (i) the individual shares ownership; or
 - (ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars (\$25,000);

(3) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, or the individual has been buying the real property, mobile home, or manufactured home under a contract that provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

- (4) the individual and any individuals covered by subdivision

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(2)(B) reside on the real property, mobile home, or manufactured home;

(5) the assessed value of the real property, mobile home, or manufactured home does not exceed one hundred eighty-two thousand four hundred thirty dollars (\$182,430); ~~and~~

(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, 37, and 38 of this chapter; **and**

(7) the individual:

(A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or

(B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

- (1) one-half (1/2) of the assessed value of the real property; or
- (2) twelve thousand four hundred eighty dollars (\$12,480).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

- (1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or
- (2) twelve thousand four hundred eighty dollars (\$12,480).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

- (1) tenants by the entirety;
- (2) joint tenants; or
- (3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

- (1) the surviving spouse is at least sixty (60) years of age on or

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before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;

(3) the surviving spouse has not remarried; and

(4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through ~~(a)(6)~~: **(a)(7)**.

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants."

Page 4, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 6. IC 6-1.1-12-11, AS AMENDED BY P.L.99-2007, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns, or that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the individual is blind or the individual has a disability;

(2) the real property, mobile home, or manufactured home is principally used and occupied by the individual as the individual's residence; ~~and~~

(3) the individual's taxable gross income for the calendar year preceding the year in which the deduction is claimed did not exceed seventeen thousand dollars (\$17,000); **and**

(4) the individual:

(A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or

(B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the

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year in which the deduction is claimed.

(b) For purposes of this section, taxable gross income does not include income which is not taxed under the federal income tax laws.

(c) For purposes of this section, "blind" has the same meaning as the definition contained in IC 12-7-2-21(1).

(d) For purposes of this section, "individual with a disability" means a person unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which:

(1) can be expected to result in death; or

(2) has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

(e) An individual with a disability filing a claim under this section shall submit proof of disability in such form and manner as the department shall by rule prescribe. Proof that a claimant is eligible to receive disability benefits under the federal Social Security Act (42 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of this section.

(f) An individual with a disability not covered under the federal Social Security Act shall be examined by a physician and the individual's status as an individual with a disability determined by using the same standards as used by the Social Security Administration. The costs of this examination shall be borne by the claimant.

(g) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home."

Page 5, between lines 6 and 7, begin a new paragraph and insert:

"SECTION 8. IC 6-1.1-12-13, AS AMENDED BY P.L.99-2007, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) Except as provided in section 40.5 of this chapter, an individual may have twenty-four thousand nine hundred sixty dollars (\$24,960) deducted from the assessed value of the taxable tangible property that the individual owns, or real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office and if:

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- (1) the individual served in the military or naval forces of the United States during any of its wars;
- (2) the individual received an honorable discharge;
- (3) the individual has a disability with a service connected disability of ten percent (10%) or more; ~~and~~
- (4) the individual's disability is evidenced by:
 - (A) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; **and**

(5) the individual:

- (A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or**
- (B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.**

(b) The surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) One who receives the deduction provided by this section may not receive the deduction provided by section 16 of this chapter. However, the individual may receive any other property tax deduction which the individual is entitled to by law.

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 9. IC 6-1.1-12-14, AS AMENDED BY P.L.219-2007, SECTION 26, AND AS AMENDED BY P.L.99-2007, SECTION 24, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of the tangible

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property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

- (1) the individual served in the military or naval forces of the United States for at least ninety (90) days;
- (2) the individual received an honorable discharge;
- (3) the individual either:
 - (A) ~~is totally disabled~~; *has a total disability*; or
 - (B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%); ~~and~~
- (4) the individual's disability is evidenced by:
 - (A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; **and**
- (5) the individual:**
 - (A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or**
 - (B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.**

(b) Except as provided in subsection (c), the surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) No one is entitled to the deduction provided by this section if the assessed value of the individual's tangible property, as shown by the tax duplicate, exceeds one hundred ~~thirteen~~ *forty-three* thousand one hundred sixty dollars (~~\$113,000~~). (*\$143,160*).

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or

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manufactured home."

Page 6, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 11. IC 6-1.1-12-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed value of his or her tangible property, or real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a contract that provides that he is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

- (1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918; ~~and~~
- (2) the deceased spouse received an honorable discharge; **and**
- (3) the surviving spouse:**
 - (A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or**
 - (B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.**

(b) A surviving spouse who receives the deduction provided by this section may not receive the deduction provided by section 13 of this chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

(c) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home."

Page 6, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 13. IC 6-1.1-12-17.4, AS AMENDED BY P.L.219-2007, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.4. (a) Except as provided in section 40.5 of this chapter, a World War I veteran who is a resident of Indiana is entitled to have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed valuation of the real property (including a mobile home that is assessed

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as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the veteran owns or is buying under a contract that requires the veteran to pay property taxes on the real property, if the contract or a memorandum of the contract is recorded in the county recorder's office, if:

- (1) the real property, mobile home, or manufactured home is the veteran's principal residence;
- (2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed two hundred six thousand five hundred dollars (\$206,500); ~~and~~
- (3) the veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; **and**

(4) the veteran:

(A) owns the real property, mobile home, or manufactured home on October 1 of the year in which the deduction is claimed; or

(B) is buying the real property, mobile home, or manufactured home under the contract on October 1 of the year in which the deduction is claimed.

(b) An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

(c) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by a husband and wife as tenants by the entirety, only one (1) deduction may be allowed under this section. However, the deduction provided in this section applies if either spouse satisfies the requirements prescribed in subsection (a).

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home."

Page 8, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 16. IC 6-1.1-15-10, AS AMENDED BY P.L.219-2007, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) If a petition for review to any board or a proceeding for judicial review in the tax court regarding an assessment or increase in assessment is pending, the taxes resulting from the assessment or increase in assessment are, notwithstanding the

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provisions of IC 6-1.1-22-9, not due until after the petition for review, or the proceeding for judicial review, is finally adjudicated and the assessment or increase in assessment is finally determined. However, even though a petition for review or a proceeding for judicial review is pending, the taxpayer shall pay taxes on the tangible property when the property tax installments come due, unless the collection of the taxes is enjoined under IC 33-26-6-2 pending a final determination in the proceeding for judicial review. The amount of taxes which the taxpayer is required to pay, pending the final determination of the assessment or increase in assessment, shall be based on:

- (1) the assessed value reported by the taxpayer on the taxpayer's personal property return if a personal property assessment, or an increase in such an assessment, is involved; or
- (2) an amount based on the immediately preceding year's assessment of real property if an assessment, or increase in assessment, of real property is involved.

(b) If the petition for review or the proceeding for judicial review is not finally determined by the last installment date for the taxes, the taxpayer, upon showing of cause by a taxing official or at the tax court's discretion, may be required to post a bond or provide other security in an amount not to exceed the taxes resulting from the contested assessment or increase in assessment.

(c) Each county auditor shall keep separate on the tax duplicate a record of that portion of the assessed value of property that is described in IC 6-1.1-17-0.5(b). When establishing rates and calculating state school support, the department of local government finance shall exclude from assessed value in the county the assessed value of property kept separate on the tax duplicate by the county auditor under ~~IC 6-1.1-17-0.5(b)~~. **IC 6-1.1-17-0.5.**

SECTION 17. IC 6-1.1-17-0.5, AS AMENDED BY P.L.154-2006, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) For purposes of this section, "assessed value" has the meaning set forth in IC 6-1.1-1-3(a).

(b) The county auditor may exclude and keep separate on the tax duplicate for taxes payable in a calendar year the assessed value of tangible property that meets the following conditions:

- (1) The assessed value of the property is at least nine percent (9%) of the assessed value of all tangible property subject to taxation by a taxing unit.
- (2) The property is or has been part of a bankruptcy estate that is subject to protection under the federal bankruptcy code.
- (3) The owner of the property has discontinued all business

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operations on the property.

(4) There is a high probability that the taxpayer will not pay property taxes due on the property in the following year.

(c) This section does not limit, restrict, or reduce in any way the property tax liability on the property.

(d) For each taxing unit located in the county, the county auditor may reduce for a calendar year the taxing unit's assessed value that is certified to the department of local government finance under section 1 of this chapter and used to set tax rates for the taxing unit for taxes first due and payable in the immediately succeeding calendar year. The county auditor may reduce a taxing unit's assessed value under this subsection only to enable the taxing unit to absorb the effects of reduced property tax collections in the immediately succeeding calendar year that are expected to result from successful appeals of the assessed value of property located in the taxing unit. The county auditor shall keep separately on the tax duplicate the amount of any reductions made under this subsection. The maximum amount of the reduction authorized under this subsection is determined under subsection (e).

(e) **Except as provided in subsection (g),** the amount of the reduction in a taxing unit's assessed value for a calendar year under subsection (d) may not exceed the lesser of:

- (1) two percent (2%) of the assessed value of tangible property subject to assessment in the taxing unit in that calendar year; or
- (2) the total amount of reductions in the assessed value of tangible property subject to assessment in the taxing unit that:

- (A) applied for the assessment date in the immediately preceding year; and
- (B) resulted from successful appeals of the assessed value of the property.

(f) The amount of a reduction under subsection (d) may not be offered in a proceeding before the:

- (1) county property tax assessment board of appeals;
- (2) Indiana board; or
- (3) Indiana tax court;

as evidence that a particular parcel has been improperly assessed.

(g) For each taxing unit located in a county, the county auditor may reduce for a calendar year the taxing unit's assessed value that is certified to the department of local government finance under section 1 of this chapter and used to set tax rates for the taxing unit for taxes first due and payable in the immediately succeeding calendar year. The county auditor may reduce a taxing

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unit's assessed value under this subsection only to enable the taxing unit to offset the effects of reduced property tax collections in the immediately succeeding calendar year that are expected to result from homestead credits applications under IC 6-1.1-20.9 or deduction applications under IC 6-1.1-12 that may be filed for the calendar year by taxpayers after the certification of the assessed value. The total of the reduction under this subsection plus the reduction under subsection (e) may not exceed two percent (2%) of the assessed value of tangible property subject to assessment in the taxing unit in that calendar year.

SECTION 18. IC 6-1.1-17-1, AS AMENDED BY P.L.154-2006, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) On or before August 1 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and the department of local government finance. The statement shall contain:

- (1) information concerning the assessed valuation in the political subdivision for the next calendar year;
 - (2) an estimate of the taxes to be distributed to the political subdivision during the last six (6) months of the current calendar year;
 - (3) the current assessed valuation as shown on the abstract of charges;
 - (4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget years, excluding years in which a general reassessment occurs, determined according to procedures established by the department of local government finance;
 - (5) the amount of the political subdivision's assessed valuation reduction determined under ~~section 0.5(d)~~ **section 0.5** of this chapter; and
 - (6) any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process.
- (b) The estimate of taxes to be distributed shall be based on:
- (1) the abstract of taxes levied and collectible for the current calendar year, less any taxes previously distributed for the calendar year; and
 - (2) any other information at the disposal of the county auditor which might affect the estimate.
- (c) The fiscal officer of each political subdivision shall present the

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county auditor's statement to the proper officers of the political subdivision.

(d) Subject to subsection (e) and except as provided in subsection (f), after the county auditor sends a certified statement under subsection (a) or an amended certified statement under this subsection with respect to a political subdivision and before the department of local government finance certifies its action with respect to the political subdivision under section 16(f) of this chapter, the county auditor may amend the information concerning assessed valuation included in the earlier certified statement. The county auditor shall send a certified statement amended under this subsection, under the seal of the board of county commissioners, to:

- (1) the fiscal officer of each political subdivision affected by the amendment; and
- (2) the department of local government finance.

(e) Except as provided in subsection (g), before the county auditor makes an amendment under subsection (d), the county auditor must provide an opportunity for public comment on the proposed amendment at a public hearing. The county auditor must give notice of the hearing under IC 5-3-1. If the county auditor makes the amendment as a result of information provided to the county auditor by an assessor, the county auditor shall give notice of the public hearing to the assessor.

(f) Subsection (d) does not apply to an adjustment of assessed valuation under IC 36-7-15.1-26.9(d).

(g) The county auditor is not required to hold a public hearing under subsection (e) if:

- (1) the amendment under subsection (d) is proposed to correct a mathematical error made in the determination of the amount of assessed valuation included in the earlier certified statement;
- (2) the amendment under subsection (d) is proposed to add to the amount of assessed valuation included in the earlier certified statement assessed valuation of omitted property discovered after the county auditor sent the earlier certified statement; or
- (3) the county auditor determines that the amendment under subsection (d) will not result in an increase in the tax rate or tax rates of the political subdivision.

(h) On or before December 31 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and to the department of local government finance. The certified statement must list any

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adjustments to the information submitted under subsection (a) that are due to processing of homestead credit applications and deduction applications that are filed after June 10 and before October 1 of a year.

SECTION 19. IC 6-1.1-20.9-2, AS AMENDED BY P.L.224-2007, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as otherwise provided in section 5 of this chapter, an individual who on ~~March~~ **October** 1 of a particular year either owns or is buying a homestead under a contract that provides the individual is to pay the property taxes on the homestead is entitled each calendar year to a credit against the property taxes which the individual pays on the individual's homestead. However, only one (1) individual may receive a credit under this chapter for a particular homestead in a particular year.

(b) The amount of the credit to which the individual is entitled equals the product of:

- (1) the percentage prescribed in subsection (d); multiplied by
- (2) the amount of the individual's property tax liability, as that term is defined in IC 6-1.1-21-5, which is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of the property tax replacement credit under IC 6-1.1-21.

(c) For purposes of determining that part of an individual's property tax liability that is attributable to the individual's homestead, all deductions from assessed valuation which the individual claims under IC 6-1.1-12 or IC 6-1.1-12.1 for property on which the individual's homestead is located must be applied first against the assessed value of the individual's homestead before those deductions are applied against any other property.

(d) The percentage of the credit referred to in subsection (b)(1) is as follows:

YEAR	PERCENTAGE OF THE CREDIT
1996	8%
1997	6%
1998 through 2002	10%
2003 through 2005	20%
2006	28%
2007 and thereafter	20%

However, the percentage credit allowed in a particular county for a particular year shall be increased if on January 1 of a year an ordinance

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adopted by a county income tax council was in effect in the county which increased the homestead credit. The amount of the increase equals the amount designated in the ordinance.

(e) Before October 15 of each year, the assessor shall furnish to the county auditor the amount of the assessed valuation of each homestead for which a homestead credit has been properly filed under this chapter.

(f) The county auditor shall apply the credit equally to each installment of taxes that the individual pays for the property.

(g) Notwithstanding the provisions of this chapter, a taxpayer other than an individual is entitled to the credit provided by this chapter if:

- (1) an individual uses the residence as the individual's principal place of residence;
- (2) the residence is located in Indiana;
- (3) the individual has a beneficial interest in the taxpayer;
- (4) the taxpayer either owns the residence or is buying it under a contract, recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence; and
- (5) the residence consists of a single-family dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling."

Page 9, delete lines 17 through 21, begin a new paragraph and insert:

"SECTION 21. IC 20-43-3-6, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) For purposes of this section, "school corporation" does not include a charter school.

(b) Adjusted assessed valuation of any school corporation that is used in computing a school corporation's state tuition support for a calendar year must be the assessed valuation in the school corporation, adjusted as provided in IC 6-1.1-34.

(c) The amount of the valuation described in subsection (b) must also be adjusted downward by the department of local government finance to the extent it consists of real or personal property owned by a railroad or other corporation under the jurisdiction of a federal court under the federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation being involved in a bankruptcy proceeding the corporation is delinquent in payment of its Indiana real and personal property taxes for the year to which the valuation applies. If the railroad or other corporation in some subsequent calendar year makes payment of the delinquent taxes, the state superintendent shall prescribe

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adjustments in the distributions of state tuition support that subsequently become due to a school corporation affected by the delinquency. The adjustment must ensure that the school corporation will not have been unjustly enriched under P.L.382-1987(ss).

(d) The amount of the valuation described in subsection (b) must also be adjusted downward by the department of local government finance to the extent it consists of real or personal property described in ~~IC 6-1.1-17-0.5(b)~~; **IC 6-1.1-17-0.5**.

SECTION 22. [EFFECTIVE UPON PASSAGE] IC 6-1.1-12-1, IC 6-1.1-12-2, IC 6-1.1-12-4, IC 6-1.1-12-9, IC 6-1.1-12-10.1, IC 6-1.1-12-11, IC 6-1.1-12-12, IC 6-1.1-12-13, IC 6-1.1-12-14, IC 6-1.1-12-15, IC 6-1.1-12-16, IC 6-1.1-12-17, IC 6-1.1-12-17.4, IC 6-1.1-12-17.5, IC 6-1.1-12-17.8, IC 6-1.1-15-10, IC 6-1.1-17-0.5, IC 6-1.1-17-1, IC 6-1.1-20.9-2, IC 6-1.1-20.9-3, and IC 20-43-3-6, all as amended by this act, apply only to property taxes first due and payable after December 31, 2008."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 15 as introduced.)

MEEKS, Chairperson

Committee Vote: Yeas 10, Nays 0.

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